

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

SB 2041 - HB 2602

February 10, 2022

SUMMARY OF BILL: Increases the amount awarded for a Minority Teaching Fellows Program (MTFP) award to a recipient enrolled at a four-year public institution from \$5,000 to the cost of tuition and fees at the institution in which the recipient is enrolled.

FISCAL IMPACT:

**Increase State Expenditures - \$156,000/FY22-23/Lottery for Education Account
Exceeds \$156,000/FY23-24/Lottery for Education Account**

Other Fiscal Impact – Funding of \$156,000 in FY22-23, and recurring funding exceeding \$156,000 in FY23-24 and subsequent years, will not be available for transfer from the Lottery for Education Account to the Tennessee Promise Scholarship Special Reserve Account.

Assumptions:

- Pursuant to Tenn. Code Ann. §49-4-706(a) the current MTFP award annually is \$5,000; under this legislation, the award amount will remain the same for recipients enrolled at a private institution.
- The current average cost of tuition, and fees at four-year public institutions is \$10,262.
- Based on information provided by the Tennessee Student Assistants Corporation, the current number of MTFP enrollees at four-year public institutions is 28.
- For FY22-23 there is an anticipated increase of three percent for tuition resulting in an average cost of \$10,570 ($\$10,262 \times 103\%$) for tuition and fees.
- The increase for each respective student receiving the award will be \$5,570 (\$10,570 new award - \$5,000 current award) in FY22-23.
- The increase in state expenditures from the Lottery for Education Account (LFEA) is estimated to be \$155,960 ($\$5,570 \text{ new reward} \times 28 \text{ recipients}$) in FY22-23.
- It is estimated that each year there will be an increase in tuition and the total number of reward recipients resulting in a recurring increase in state expenditures from the LFEA estimated to exceed \$155,960 in FY23-24 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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